IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE K.BALAKRISHNAN NAIR

FRIDAY, THE 22ND JUNE 2007 / 1ST ASHADHA 1929

WP(C).No. 10452 of 2007(T)

PETITIONER:

BETTY SARAH ABRAHAM, D/O.C.A.ABRAHAM,
CHEMBITHARAYIL HOUSE, PALLOM POST,
NATTAKOM VILLAGE, KOTTAYAM DISTRICT.

BY ADV. SRI.P.KURUVILLA JACOB

RESPONDENTS:
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1. THE MANAGER, STATE BANK OF TRAVANCORE,
PALLOM BRANCH, PALLOM POST, KOTTAYAM DISTRICT.

2. THE MANAGER, LEAD BANK,
STATE BANK OF TRAVANCORE,
KANJIKUZY BRANCH, KOTTAYAM.

BY ADV. SRI.M.PATHROSE MATTHAI (SR.)
SRI.SAJI VARGHESE

THIS WRIT PETITION (CIVIL) HAVING BEEN FINALLY HEARD ON 22/06/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

WP(C) NO: 10452/2007 T

APPENDIX

PETITIONER'S EXHIBITS

EXT.P1. COPY OF THE STATEMENT DT. 29/09/2006 BY ST. THOMAS COLLEGE, OF ALLIED HEALTH SCIENCES, CHETHIPUZHA CHANGANACHERRY, PROVIDING THE FEES STRUCTURES OF B.SC MIP COURSE IN THAT COLLEGE.

EXT.P2. COPY OF THE AFFIDAVIT DT. 28/09/2005 OF THE PETITIONER'S MOTHER.

EXT.P3. COPY OF THE PETITIONER'S LOAN APPLICATION DT. 26/09/06 BEFORE THE R1 REQUESTING TO SANCTION EDUCATION LOAN OF RS. 152800/-

EXT.P4. COPY OF THE PETITIONER'S REPRESENTATION DT. 6/2/2007 BEFORE THE DIST. COLLECTOR, KOTTAYAM.

EXT.P5. COPY OF THE LETTER DT. 13/6/07 OF THE PRINCIPAL OF ST. THOMAS COLLEGE OF ALLIED HEALTH SCIENCE AT CHETHIPUZHA, CHANGANACHERRY ISSUED TO THE PETITIONER.

True copy

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K. BALAKRISHNAN NAIR, J.

W.P.(C) No.10452 of 2007 (T)

Dated this the 22nd June, 2007.

JUDGMENT

The petitioner is a student for B.Sc. M.I.T. Course of St. Thomas Collect of Allied Health Sciences, Chethipuzha, Changanassery. The course is affiliated to Manipal Academy of Higher Education. She applied to the first respondent for educational loan for the said course on 26.9.2006. When there was inordinate delay in sanctioning the loan, she submitted Ext.P4 representation. Thereafter, when she approached the first respondent, she was told that her application was rejected and the documents submitted by her were returned to her. So, this writ petition is filed, seeking the following reliefs:

i) to issue a writ of mandamus or any other appropriate writ, order or direction to respondents r=directing them to take immediate action on Ext.P3 loan application, sanctioning the loan requested therein within a specific period of time;

ii) to issue such other appropriate writ, order or direction to respondents, which

this Hon'ble Court may deem fit and proper on the facts of the case, including the cost of the petitioner in this proceeding."

2. The first respondent has filed statement, in which it is submitted that as per the scheme of the Bank, loan cannot be granted for distance education courses like the one for which the petitioner has joined. Further, it is submitted that while granting the loan, the paying capacity of the parents is also assessed. In the case on hand, the mother of the petitioner is a defaulter to the Bank and a case is pending against her before the Debt Recovery Tribunal.

2. So, as per the loan scheme, the petitioner is not eligible to get loan, it is submitted. The petitioner has filed reply affidavit, denying the contentions taken in the statement. She submits that students similarly placed like her, who were undergoing distance education courses, were sanctioned loans by the State Bank of Travancore. The default from the part of her mother was occasioned because of the misuse of the amounts in her account by the erstwhile Manager of the Bank, Sri K.C. Chacko. It is also submitted that the refusal to grant loan to the petitioner is vitiated by

mala fides. It was at the instance of one her neighbours, Mr.Kurian, that the loan is denied to her. Petitioner has also filed an additional affidavit, pointing out the names of the students, who were granted educational loans, to undergo courses under distance education scheme.

3. Heard the learned counsel on both sides. The learned Standing Counsel for the respondents handed over the Scheme governing the grant of educational loans. Going by the Scheme, it would appear that loans could be granted for distance education also. But, while appraising the loan proposal, the income of the parents is a relevant consideration. The petitioner's mother being a defaulter to the Bank, if the Bank feels that it is not desirable to sanction the loan, it cannot be said to be a perverse decision. Normally, no Bank should be compelled to give loans to anybody, in whom the Bank does not have confidence. Education loans may stand on a different footing. But, in this case, the rejection is based on one of the relevant parameters, i.e., the repaying capacity of the parents. So, even if the first ground taken by the Bank is untenable, because of the

second ground, the refusal to grant the loan is justified.

This writ petition, therefore, fails and is dismissed.

K. BALAKRISHNAN NAIR,
JUDGE.

vav.